



Department of Transportation

Division of Secretariat

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TO: South Dakota Railroad Board

FROM: Joel Jundt, Deputy Secretary

DATE: April 17, 2018

SUBJECT: Federal Discretionary Funds

This memo is to provide the Railroad Board information on available federal aid discretionary grant funds that are available at this time or will be available once USDOT completes the final rules. We will be recommending projects for FFY2017 at the April 18, 2018, Board meeting.

Discretionary Funding - 2017

TIGER Grant:

- Amount Awarded: \$500 Million
- Grant Award: Competitive
- SDDOT grants submitted were not chosen (T480 on D&I Railroad); Selected BIA Highway 10 Reconstruction, Lower Brule Sioux Tribe, \$21 Million.

INFRA Grant:

- Amount available FY2017: \$1.5 Billion
- Grant award: Competitive
- Awaiting award announcement
- SDDOT rail grant submitted: T480 on D&I Railroad. Total cost \$6.0 Million with \$3.57 Million of federal funds requested

Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant

- Overall Amount Available: \$65,232,400
- Grant Award: Competitive
- South Dakota DOT is an Eligible Recipient of the CRISI Program.

- Inclusion in a current State Rail Plan is not an eligibility criterion in the notice of funding opportunity (NOFO). However, inclusion in a SRP is an Evaluation Criterion.
- No predetermined minimum or maximum dollar thresholds for awards.
- Eligible Applicants:
 - A State; a group of States; an Interstate Compact; a public agency or publicly chartered authority established by one or more States; a political subdivision of a State; Amtrak or another Rail Carrier that provides Intercity Rail Passenger Transportation (as defined in 49 U.S.C.24102); a Class II railroad or Class III railroad (as those terms are defined in 49 U.S.C. 20102); any Rail Carrier or rail equipment manufacturer in partnership with at least one of the entities described in paragraph (a) through (e); others (TRB, University performing rail research, etc.)
- Award Size: Federal share capped at 80% of the total project cost with project selection preference to applications where the proposed Federal share of total project costs is 50% or less.
- Project Eligibility:
 - Projects improving the safety, efficiency, and/or reliability of passenger and/or freight rail transportation systems.
 - Application submittal based on one of four tracks;
 - Track 1—Planning
 - Track 2—PE/NEPA
 - Track 3—Final Design/Construction
 - Track 4—Safety Programs and Institutes.

Special Transportation Circumstances (STC) Grant

- Special Allocation of CRISI funds to South Dakota, Wyoming, and Alaska.
- Funds currently available to SD: \$978,200
- Award Size: one grant with federal share capped at 80% of the total project cost.
- Project Eligibility: Must be freight rail Capital Projects listed in our State rail plan.
- Deadline for application: June 21, 2018
- Project must be a "Capital Project"
- "Capital Project" means a project for:
 - Acquiring, constructing, improving, or inspecting rail equipment, track and track structures, or a rail facility; expenses incidental to the acquisition or construction including pre-construction activities (such as designing, engineering, location surveying, mapping, acquiring rights-of-way) and related relocation costs, environmental studies and all work necessary for FRA to approve the project under the National Environmental Policy Act

(NEPA) and related environmental laws and regulations; highway-rail grade crossing improvements; communication and signalization improvements; and rehabilitating, remanufacturing or overhauling rail rolling stock and facilities.

Discretionary Funding announced for FY 2018

TIGER Grant:

- Amount Awarded: \$1.5 Billion
- Grant Award: Competitive
- Projects are to have a "significant local or regional impact." This is a change from last year, under which projects were to have a "national," regional, or metropolitan impact.
- The set-aside for projects in rural areas has been increased from 20% to 30%.
- The statute specifies USDOT "shall give priority to projects that require a contribution of Federal funds in order to complete an overall funding package." The minimum grant for a rural TIGER project can be as little as \$1 million.

Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant

- Overall amount available: \$592.5 million with \$250 million of that set aside for positive train control investments
- Grant Award: Competitive
- Waiting for details to come in the NOFO

Special Transportation Circumstances (STC) Grant

- Special Allocation of funds to South Dakota, Wyoming, and Alaska
- Funds anticipated to be available to SD: Approx. \$8.2 million
- Waiting for details to come in the NOFO